BRITISH COLUMBIA

BC STATS

Ministry of Labour and Citizens' Services

Infoline

Contact: bcstats.infoline@gov.bc.ca *Issue: 05-24* *June 17, 2005*

- **Manufacturing shipments edge down in April**
- **BC provincial/local government sector reports double-digit revenue growth**
- **Wholesale sales drop in April**

The Economy

- **Shipments of goods by British Columbia manufacturers slipped (-1.4%, *seasonally adjusted*) in April, posting the second consecutive monthly loss.** Durable manufacturers saw declines (-1.3%) in the value of shipments, mostly due to weakness in the wood industry (-2.5%). Exceptions were primary metals (+2.0%), fabricated metals (+1.6%), furniture & related (+1.7%) and miscellaneous (+2.5%) shipments. Shipments of non-durables fell as well (-1.5%), with both paper (-4.5%) and food (-0.2%) posting decreases.

  Across the nation, manufacturing shipments inched up (+0.9% to $50.2 billion) for the first time since January, partly due to an increase in the transportation equipment sector (+5.2%), which boosted the shipments of durable goods (+1.9%). Shipments of non-durable goods slipped (-0.3%) in April. Six of the 12 regions posted lower shipments, with Newfoundland (-16.7%), New Brunswick (-11.9%) and Saskatchewan (-3.3%) reporting the biggest declines. Prince Edward Island (+4.9%) and Nova Scotia (+4.0%) showed the strongest growth.

  Data Source: Statistics Canada

- **The number of new vehicles driven off car lots in the province declined 1.4% (*seasonally adjusted*) in April after relatively strong growth in March (+3.6%).** Nationally, new motor vehicle sales rose (+1.6%), reflecting strong gains in the number of sales in Ontario (+2.1%), Alberta (+5.4%) and Prince Edward Island (+6.6%). Saskatchewan (-2.6%), Manitoba (-2.0%) and BC (-1.4%) were the only provinces that posted declines in April.

  Data Source: Statistics Canada

- **In BC wholesale sales were down (-2.2%, *seasonally adjusted*) in April.** Nationally, wholesale sales edged up (+0.9%), largely due to the increases in Ontario (+1.6%) and Manitoba (+10.9%). Four out of seven wholesale trade sectors recorded growth in April, with significant gains in the "other products" (+6.8%) and automotive products (+3.5%) categories.

  Data Source: Statistics Canada

Government Finance

- **During the 2004/05 fiscal year, consolidated provincial/local government sector revenues rose 10.3% in BC, the second highest growth among the provinces.** The increase in revenue was largely due to a jump (+146.7%) in specific purpose transfers from the federal government. Nationally, revenues were up 7.7%, with the largest increases occurring in Saskatchewan (+11.8%), BC (+10.3%), and Alberta (+10.1%).

  At the same time, expenditures in the province continued to rise (+4.7%) as spending on health care (+6.2%) and education (+8.0%) were boosted. However, the provincial and local government sector spent less (-1.9%) on social services in 2004/05 than in the previous year. Nationally, total spending was up 6.2%, with increases occurring in all provinces except Prince Edward Island (-1.0%). Alberta (+13.2%) and Nova Scotia (+9.4%) experienced the biggest spending advances.

  Lower interest rates eased the pressure from debt charges, which were down 1.5% in BC. Overall, the Canadian provincial/local public sector spent marginally more (+0.8%) on debt charges in 2004/05 than in the previous year. Newfoundland (-5.6%) saw the biggest decline in debt charges. *Data Source: SC, Public Institutions Division, Financial Management System (FMS) data*

- **Over the past 15 years, increasing emphasis has been put on health and education services.** In 2004/05, over 42 percent of total BC provincial/local government expenditures

Report British Columbia Population Projections

Did you know...
Canadians paid $2.63 (US) for a Big Mac last year. Americans had to pay more at the golden arches, where the average price was $3.06. The cheapest Big Mac was in Qatar at 68 cents. Iceland fast food fans had to dig more deeply into their pockets, forking over $6.67 for a Big Mac.

went to health & social services and 22% to education. In 1989/1990 the shares were lower; only 39% for health and 21% for education.

Data Source: SC, Public Institutions Division, Financial Management System (FMS) data

Consolidated provincial/local government statistics include data for provincial government ministries and agencies, local governments, and related institutions such as hospitals, universities, colleges and school boards. The data is prepared by Statistics Canada using a broader definition of the public sector than is employed in the Public Accounts. The FMS data are, however, comparable across provinces.

Tourism

- **The number of non-residents crossing the border into Canada via BC inched up (+0.4%, *seasonally adjusted*) in April, largely due to an increase in overseas visits (+3.6%).** The number of US visitors edged down (-0.5%) reflecting the weakness in the same-day travel market
(-1.5%). Asian visitor entries rose (+3.6%) led by travellers from Hong Kong (+33.3%). The total number of Canadians returning to BC declined (-5.2%) in April, despite an increase in Canadian travel to overseas destinations (+7.5%). Same-day auto travel to the US fell (-6.8%) for the first time since January.

Data Source: Statistics Canada

Trade with China

- **Canada exported over $6.6 billion in merchandise to China in 2004, a jump of 38.8% from 2003.** Since 1990, Canada's exports have been expanding at an annual average rate of 12.5%. Industrial goods exports, the biggest export group, rose 65.7% to $2.7 billion. Other major trade groups like agricultural (+140.2%) and forest (+21.1%) products also experienced substantial growth in 2004.

  The value of imported goods from the Dragon has exploded since the early 90's, increasing at an annual average rate of 22.8% since 1990. In 2004, imports from China rose 29.7% to $24.1 billion, reaching four times as much as the exports. The trade deficit with China totalled $17.5 billion last year. The most imported goods are machinery & equipment ($10.3 billion) and consumer goods ($9.4 billion).

  After the US, China is now the largest trading partner with Canada. The tremendous growth of trade with China is due to several factors: increasing liberalization of trade policy in China, its admission into the World Trade Organization in 2001, and strong economic growth in China—now the second largest economy in the world. *Data Source: SC, Catalogue no. 11-624-MIE*

Abuse against Women

- **There were 15,499 admissions to shelters for abused women in the province between 2003 and 2004, of which 9,666 were by women and 5,833 were by children.** A person may be admitted to a shelter more than once during a year. On April 14, 2004, there were 28 per 100,000 married women residents in shelters. Of the 543 shelters for abused women that existed in Canada, 105 were in BC.

Data Source: SC, Catalogue 85-002-XPE

The Nation

- **Canadians spent more in 2003 on electronic devices such as DVD players, cell phones and CD writers.** DVD players popularity skyrocketed in 2003 as more than half of all Canadian households owned such a device, up sharply from 36% in 2002. Near six out of every 10 households reported having an Internet connection in 2003, with BC at the top of the list at slightly over 63%. Satellite television is becoming more popular as 23% of households in Canada reported receiving this service, up from 21% in 2002. *Data Source: SC, Catalogue 62-202-XIE*

- **More than 2 million Canadians aged 15 or older have experienced social anxiety disorder at some point in their life.** The least likely age group to have social anxiety disorder are individual's 55 or older (1.3%). The data suggests that social anxiety disorder is related to lower income and educational attainment as well as fewer employment opportunities. Although effective treatment is available, less than 40% reported seeking professional treatment. *Data Source: Canadian Community Health Survey*

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June 17, 2005

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Issue: 05-24
June 17, 2005

Contact: Dave O'Neil (250) 387-0335

British Columbia Population Projections

Each year, BC Stats projects the population of the province and its regions, based on demographic and economic trends, modified to take into consideration possible future changes. This cycle, just published, is known as PEOPLE 30 and was completed in May 2005.

Detailed projections, each 13 pages long in Adobe Acrobat PDF format, include a map, "Economic and Demographic Notes", four pages of population pyramids and charts, "Components of Change", "Special Age Groups", "Five Year Age Groups by Sex", are available for BC, the eight development regions, the 28 regional districts, the 89 local health areas, 59 school districts, and a number of "special areas" of local interest. Total population summaries appear free on our Internet site.

Both the PDF reports and comma-delimited data files are available for purchase from the BC Stats webstore: www.bcstats.gov.bc.ca/store.htm. Prices for individual areas vary from $5 to $1 for the PDF report, and $10 to $2 for the data files (including the PDF report), depending on how many regions are purchased.

Introduction

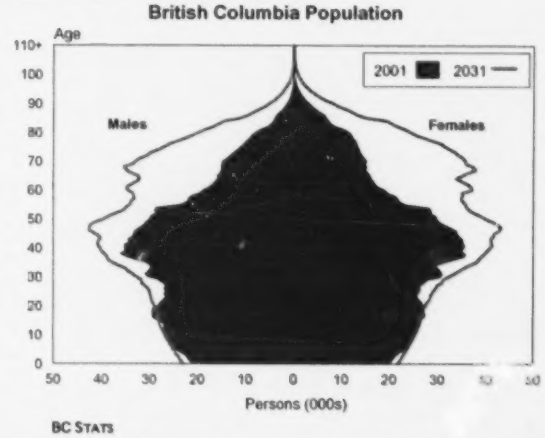
The demands for public services, such as schools, hospitals and roads, are closely related to population size and characteristics. In addition, marketing strategies of businesses are greatly influenced by the size and structure of the population. As a result, reliable population projections are an essential tool for planners in both the private and public sectors.

As we move into this new century, British Columbia faces unique challenges within Canada. Some of the major issues emerging in our province include:

- managing population growth that will put pressure on our urban communities, our environment and government resources;
- recognizing the changing ethnic make-up of the population and the need for better understanding of the values of cultural diversity;
- a health care system that must meet the needs of a growing and aging population; and
- growing economic and income disparities between our province's regions and people.

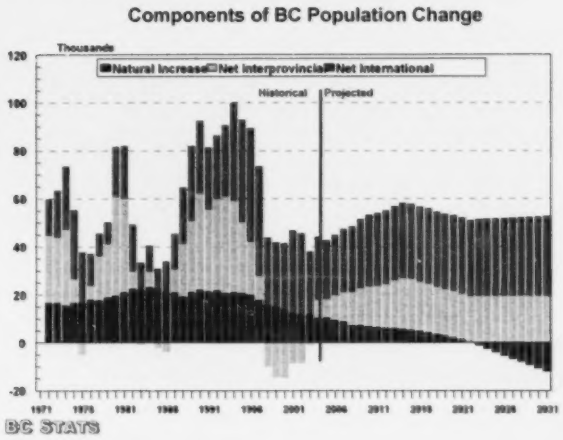
The following are some demographic highlights from PEOPLE Projection 30:

Becoming an older population



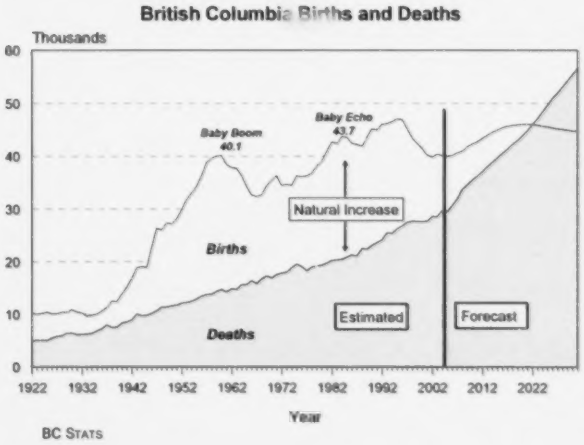
The British Columbia population is getting larger and older. Between 2001 and 2031, the population will have increased by over 36%. The median age of the population will have increased from 37.9 to 45.2 years.

Migration the most important factor



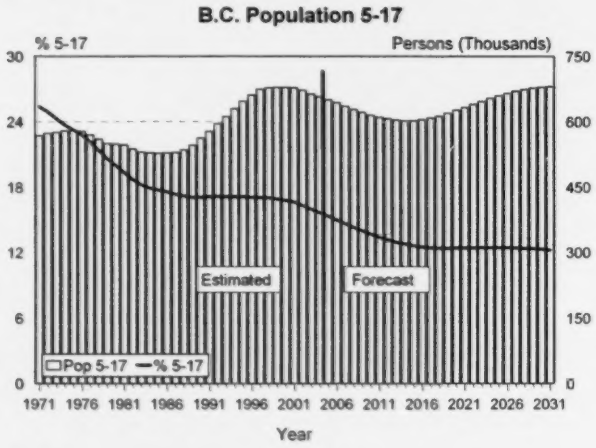
The major factor driving population growth will be migration to British Columbia. International migration will account for 61% of the population gain, followed by interprovincial migration at 36%, and natural increase at 3%.

Deaths will surpass births



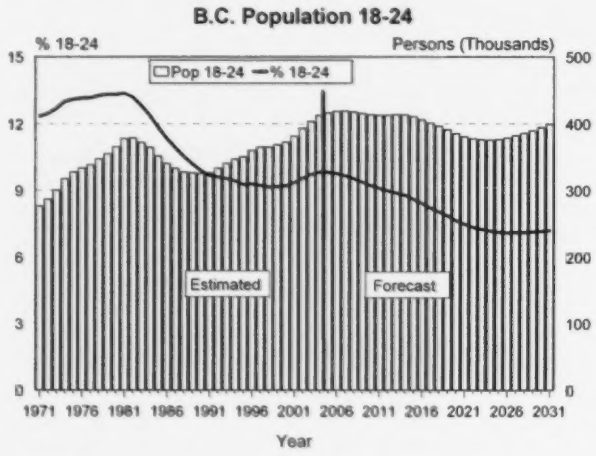
Even though the number of births in British Columbia will continue to rise, the contribution of natural increase to the overall population growth will decrease. Near the end of the forecast the number of deaths will exceed the number of births.

Declining share of school age group



The population of school age (5–17 years) will decline slightly over the next 10 years or so, but will then begin a slow increase up to current levels by 2031. However, the share of total provincial population will decline.

Post-secondary cohort changes little



The population of post-secondary school age (18–24 years) will remain relatively constant over the next decade but its share of total population will decline over the projection period.

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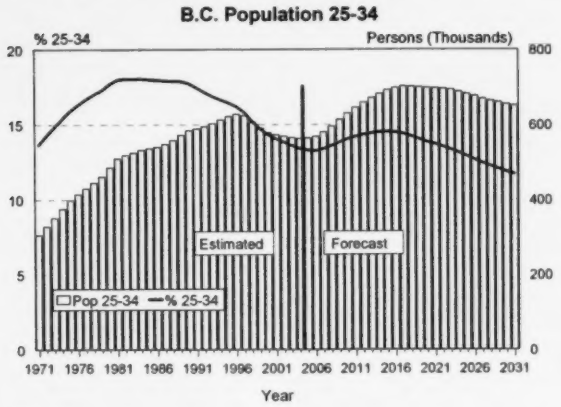
Slower migration and end of baby boom



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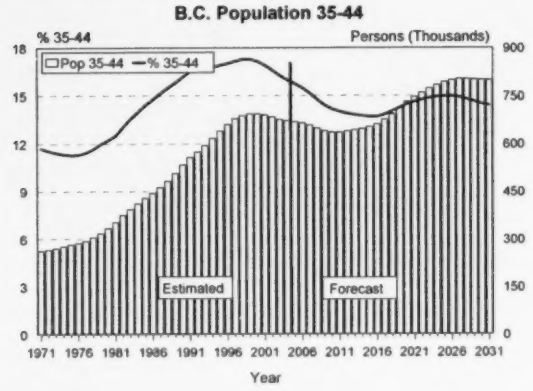
The population aged 25–34, which is generally associated with first time household formation, is expected to increase in absolute numbers and share over the next 12 to 13 years, then decline for the remainder of the projection period.

Trailing edge of baby-boom cohort



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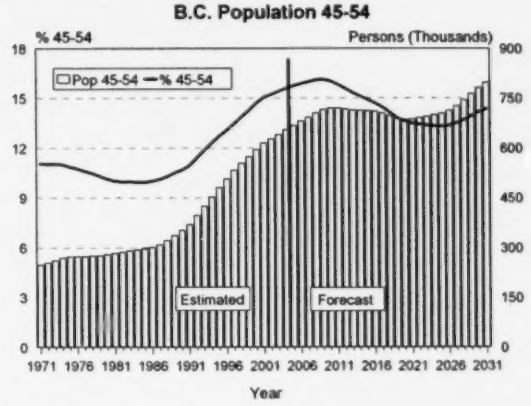
The population currently aged 35–44 includes the youngest of the baby-boom cohort, now aged 40–44. The population in this age group is expected to fall slightly over the next ten years, then return to strong growth.

Competition for top positions



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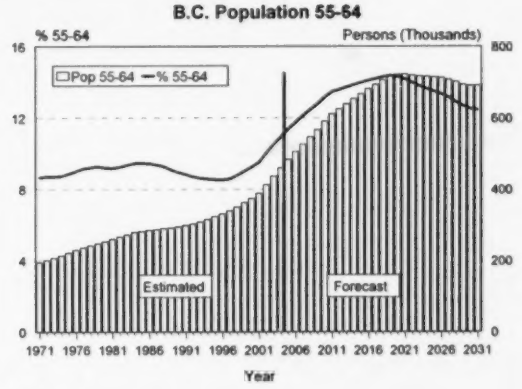
The population of mature labour force age (45–54 years) went through a period of slow growth for a couple of decades. In the last ten years this growth has increased in part due to the entry of older baby-boomers into this age group. As a result, the population is increasing significantly. This will have repercussions on the labour force, especially in terms of meeting career goals. Many people in this age group will be competing for a limited number of higher level jobs.

Early retirement options



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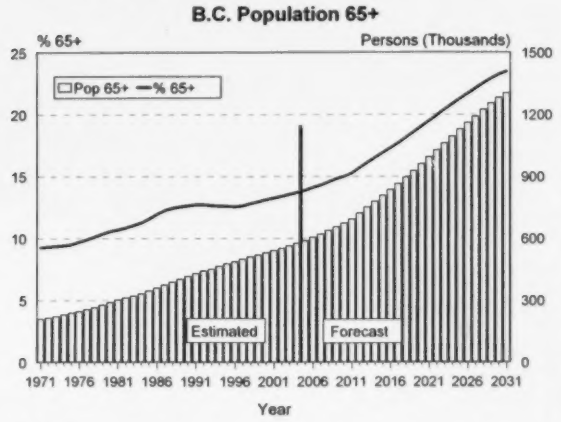
Both the share and size of those aged 55–64 will increase strongly in the first 17 years of the projection. If greater numbers of this age group opt for early retirement (before 65) the effect may be felt by increased turnover in the labour market and greater demand for retirement housing and services.

Senior age group becoming larger



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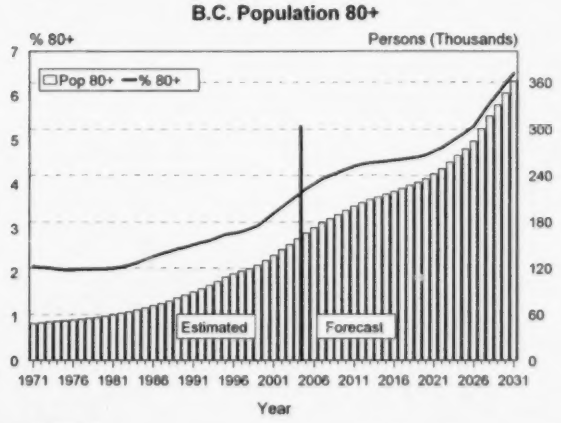
Both the share and overall population of retirement age (65+) will continue to increase significantly (from 13.2 per cent in 2001 to 23.5 per cent in 2031). This will result in a significant increase in regionally focused demand for community services for this group.

Health costs rise with longevity



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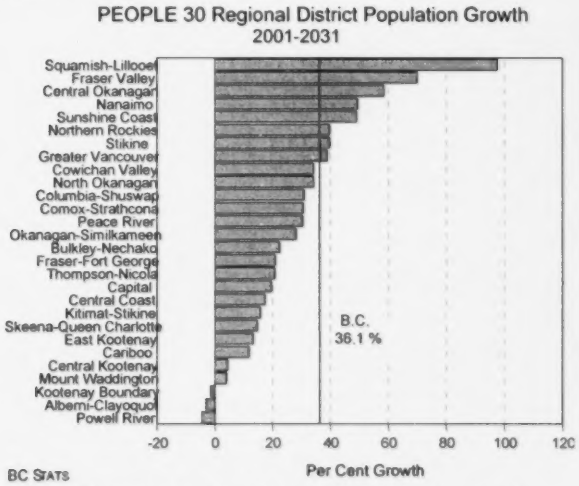
The very senior population (80+) will also increase significantly, growing from 3.3 per cent of the population in 2001 to 6.5 per cent in 2031. This increase will have a serious impact on health care expenditures given the higher per capita health costs associated with people older than 80.

British Columbia Regional Population Projections

Regional District Population Growth

There are substantial disparities with respect to projected growth among the 28 British Columbia Regional Districts. Southern regions of the province will likely see much higher growth rates than regions in the north.

Figure 12

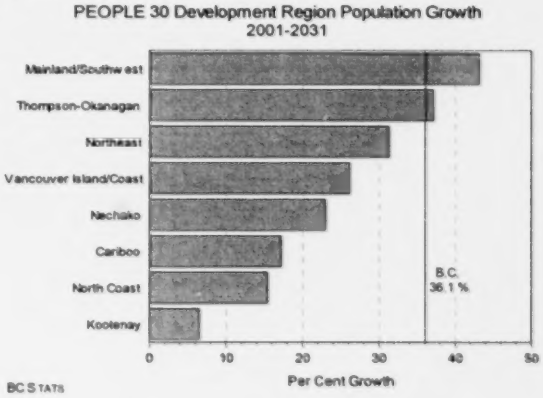


One of the reasons for this is that the economic base in the northern regions is far more resource dependent than the Lower Mainland, the lower portion of Vancouver Island, and the Okanagan. The regions that are expected to experience a decline tend to be those that are heavily dependent on resource extraction industries.

Development Region Population Growth

Figure 13, which depicts growth by Development Region, exhibits strong growth in the southwest. Both the Mainland-Southwest and Thompson-Okanagan regions are expected to experience around 40 per cent growth over the 2001 to 2031 period. The slower growth in the Kootenay region is largely due to the anticipated reductions in mining and forestry activity following depletion of resources and increases in productivity. An increase in resorts in the East Kootenays will likely result in more seasonal stays in the area.

Figure 13

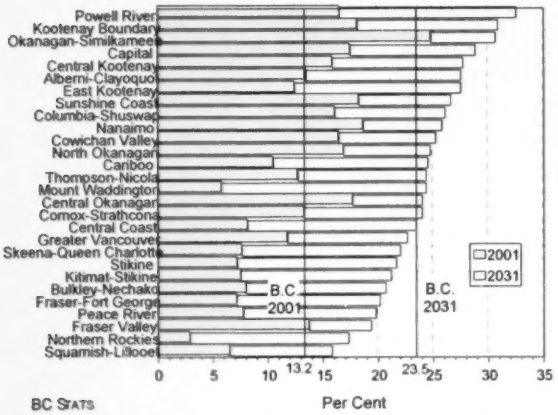


Regional District Population 65+

There are regional differences with respect to age as well. Currently, the population 65 and over (as a percent of total population) is much smaller in most of the remote areas, and greater in the more populous, southern regions of the province.

Figure 14

PEOPLE 30 Regional District Population 65 and Over as a Per Cent of Total Population



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This is largely a combination of the greater access to services (particularly those related to health care) in the larger centres, and the more pleasant climate of the southern regions, which attracts the elderly looking for a place to retire.

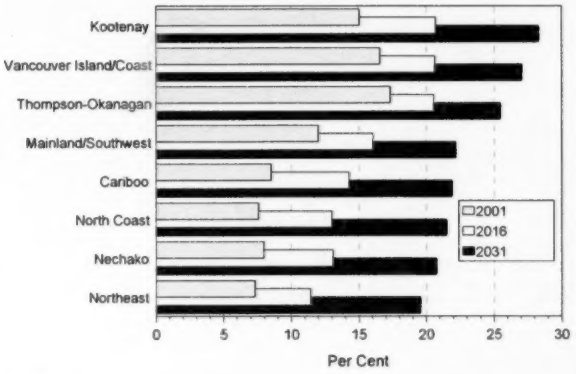
The Regional District chart in Figure 14 indicates that some regions will experience proportionately larger increases in the per cent of population over 65. In many of these cases, this is the result of differential rates of migration to or from an area. Migrants tend to be younger than the population at large. Hence, in regions of high net inflows of population the aging process is slowed. Alternatively, where there is a net outflow, population aging accelerates.

Development Region Population 65+

On a larger scale, the Development Regions show a similar pattern of a more aged population in the south. However, the regions to the north will see proportionately larger increases in the proportion of the population over 65.

Figure 15

PEOPLE 30 Development Region Population 65 and Over as a Per Cent of Total Population



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June 17 2005

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jan 1/05	% change on one year ago
BC	4,220.0	1.1
Canada	32,078.8	0.9
GDP and INCOME		
(BC - at market prices)	2004	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	156,481	7.5
GDP *($ 1997 millions)*	138,783	3.9
GDP *($ 1997 per Capita)*	33,072	2.8
Personal Disposable Income *($ 1997 per Capita)*	20,002	1.2
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Apr	3,523	-1.4
Merchandise Exports - Apr	2,652	2.2
Retail Sales - Mar	4,134	0.8
CONSUMER PRICE INDEX		12-month avg
(all items - 1992=100)	Apr '05	% change
BC	124.9	2.3
Canada	126.9	2.2
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	May '05	prev. month
Labour Force - BC	2,261	0.5
Employed - BC	2,132	0.8
Unemployed - BC	130	-5.3
		Apr '05
Unemployment Rate - BC *(percent)*	5.7	6.1
Unemployment Rate - Canada *(percent)*	6.8	6.8
INTEREST RATES (percent)	Jun 15/05	Jun 16/04
Prime Business Rate	4.25	3.75
Conventional Mortgages - 1 year	4.75	4.70
- 5 year	5.70	6.70
US/CANADA EXCHANGE RATE	Jun 15/05	Jun 16/04
(avg. noon spot rate) Cdn $	1.2440	1.3773
US $ *(reciprocal of the closing rate)*	0.8081	0.7275
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	May '05	one year ago
BC	698.81	3.7
Canada	696.25	2.7

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Labour market characteristics of off-reserve Aboriginal population

It is now possible to examine the labour market characteristics of off-reserve Aboriginals. The data, from an expanded sample of Aboriginal peoples in the labour force survey, highlight some defining characteristics that contribute to their experience. In the past, this type of data has been available from the census but was limited to a snapshot taken in mid-May at five year intervals. A full year of sampled monthly data, fully integrated to the labour force survey, will be of great interest to researchers, policy makers and other users.

On-line at

www.bcstats.gov.bc.ca/data/lfs/abor/ap_index.htm

Released this week by BC STATS

- Labour Force Statistics, May 2005
- Earnings & Employment Trends, May 2005
- Exports, April 2005

Next week

- Consumer Price Index, May 2005

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